

AMENDED IN SENATE MAY 31, 2005

AMENDED IN SENATE APRIL 11, 2005

**SENATE BILL**

**No. 208**

**Introduced by Senator Alquist**

(Coauthors: Assembly Members Chavez, Shirley Horton, and Huff)

February 10, 2005

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An act to amend Section 14529.23 of, *and to add and repeal Section 14529.24 of*, the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 208, as amended, Alquist. Transportation projects: electronic fund transfers.

Existing law authorizes regional or local agencies to spend their own funds on certain regional or local transportation projects included in the State Transportation Improvement Program. Existing law provides for reimbursement of those agencies by the state when the California Transportation Commission allocates funds to the project, subject to certain financial controls. Existing law requires the Department of Transportation to implement systems that allow rapid access to funds made available under executed agreements to transfer funds to those agencies, and requires the Controller to develop a system that provides access to those funds by electronic transfer.

~~This bill would require the department to implement those systems on or before June 30, 2006. The bill would require~~ the Controller to develop the electronic fund access system in cooperation with the department. *The bill would require the department, until January 1, 2010, to carry out a pilot program to transfer funds to the Santa Clara Valley Transportation Authority within 10 calendar days of receipt of an invoice for project expenses incurred by the authority under an executed agreement. The bill would require the department to audit*

*the authority's project expenses and would require the authority to reimburse any expenditure the department's audit deemed ineligible. The bill would require the department, in consultation with the Controller and the authority, to report to the Legislature on or before January 1, 2009.*

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. This act shall be known and may be cited as the  
2 Traffic Congestion Relief Funding Access Act.

3 SEC. 2. Section 14529.23 of the Government Code is  
4 amended to read:

5 ~~14529.23. On or before June 30, 2006, the department shall~~  
6 *14529.23. The department shall implement systems that allow*  
7 *rapid access to funds made available under executed agreements*  
8 *to transfer funds. The Controller, in cooperation with the*  
9 *department, shall develop a system that provides access to those*  
10 *funds by electronic transfer of funds as project expenses are*  
11 *incurred by a local or regional entity. Upon the development of*  
12 *that system by the Controller, the department shall utilize that*  
13 *system to comply with Section 14529.19.*

14 SEC. 3. Section 14529.24 is added to the Government Code,  
15 to read:

16 *14529.24. (a) For the purposes of this section, the*  
17 *department shall develop a pilot program on or before June 30,*  
18 *2006, for projects within the jurisdiction of the Santa Clara*  
19 *Valley Transportation Authority.*

20 *(b) The department, in cooperation with the Controller, shall*  
21 *transfer funds pursuant to Section 14529.23 to the Santa Clara*  
22 *Valley Transportation Authority within ten calendar days of*  
23 *receipt of an invoice for project expenses incurred by the Santa*  
24 *Clara Valley Transportation Authority under an executed*  
25 *agreement.*

26 *(c) Upon completion of the project for which the Santa Clara*  
27 *Valley Transportation Authority received funds pursuant to*  
28 *subdivision (b), the department shall conduct a audit to verify*  
29 *that funds were expended for eligible project expenses pursuant*  
30 *to an executed agreement. The Santa Clara Valley*

1 *Transportation Authority shall reimburse any expenditures that*  
2 *are deemed ineligible by the department in the audit.*

3 *(d) The department, in consultation with the Controller and*  
4 *the Santa Clara Valley Transportation Authority, shall report the*  
5 *results of this pilot project to the Assembly Committee on*  
6 *Transportation and the Senate Committee on Transportation and*  
7 *Housing on or before January 1, 2009.*

8 *(e) This section shall remain in effect only until January 1,*  
9 *2010, and as of that date is repealed, unless a later enacted*  
10 *statute, that is enacted before January 1, 2010, deletes or extends*  
11 *that date.*